

REMARKS

Entry of this Amendment is believed proper since it reduces issues for appeal. Namely, claims 1-13 are canceled without prejudice. Claims 14-48 remain pending. We expressly traverse the rejections of claim 1-13 as set forth in the August 25, 2009 Office Action. And, we expressly reserve the right to present the subject matter of the canceled claims in one or more continuing applications.

The Examiner is invited to contact the undersigned with any questions.

Date: July 19, 2010

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Respectfully submitted,

DIGIMARC CORPORATION

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